USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 7 DECEMBER 2007

I. UFC ISSUES:

A. We received a request from the Missile Defense Agency (MDA) for validation of contract holdback data reported in its financial statements based on the trial balances we provide to DFAS-IN. MDA provided a data file that contained USACE data plus data with an operating agency code: BE. We were able to verify the data we provided in USACE trial balances, but could not validate the remaining data with the operating code of BE since we did not provide it. There is no reference to operating agency code BE in the DoD Regulations and it appears to be invalid. Results of the validation and our findings were provided to MDA.

B. We worked extensively with PricewaterhouseCoopers (PwC) auditors in a review of the standalone 2007 financial statements and notes. We incorporated edits into the revised draft statements and notes and provided them to PwC. A final rounded version of the statements and notes will be prepared after receiving the recommended adjustments from PwC. We anticipate receiving these adjustments by 14 December.

C. The CFO team completed the Government Accountability Office Financial Audit Manual checklists for Federal Accounting, Reporting and Disclosures. The checklists were provided to PwC.

D. CFO team members answered questions from Internal Review regarding their validation of trading partner elimination data. The review is required by the Office of Undersecretary of Defense Comptroller to maintain the 2008 waiver from elimination adjustments.

E. Members of the Cash and Military Reports Division and the Deputy Director of Accounting held a teleconference with DFAS Columbus to discuss general ledger variances between the data reported by USACE and the data received by DFAS Columbus for appropriation 97X0500.5108. The data is reported through DFAS Indianapolis (DFAS-IN). We determined that DFAS-IN is pulling balances from PBAS, which includes un-allotted and undistributed funds, and they are making adjustments to the USACE general ledger trial balance prior to submission to DFAS Columbus. Further teleconferences will be held to discuss the unsupported adjustments being made by DFAS-IN and what can be done to provide DFAS Columbus with a clean trial balance.

F. We held two teleconferences with DFAS Indianapolis to discuss the implementation of submitting cumulative Integrated Command Accounting Reports (ICARs) on a daily basis or the possibility of submitting the general ledger trial balances (by AMSCO) on a daily basis. These reports are currently being submitted monthly.

II. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

LOCATION	ONBOARD
MILLINGTON:	208
HUNTSVILLE:	23
USACE HQ:	1
TOTAL:	232

B. DISBURSING WORKLOAD DATA

PAYMENT	CURRENT MONTH 01-04 Dec	YEAR TO DATE 01-Oct – 04 Dec 07
CHECKS:		
CHECKS ISSUED	816	14330
PERCENT OF TOTAL	6%	5%
DOLLAR AMOUNT	$5,362,691	$205,020,883
EFT:		
TRANSFERS MADE	6594	142322
PERCENT OF TOTAL	94%	95%
DOLLAR AMOUNT	$219,167,543	$4,591,907,322

*percentages adjusted for utility checks which do not have to participate in EFT

III. CEFMS:

A. In response to audit findings, we created a new cost transfer process for non-labor transfers to separate duties for originating a cost transfer and then approving the cost transfer. The process requires two new roles to perform these functions, and one user cannot originate and approve a cost transfer. Users must also electronically sign the origination of a cost transfer and the approval of the cost transfer. The new screens are: 7.4.6, Transfer from Cost Account, to originate a transfer; and 7.4.12, Cost Transfer Approval, to approve the cost transfer. Further, we

developed   screen 7.1.13, Cost Transfer View, to view cost transfers that were originated, but not yet approved, or originated and approved. USACE activities will need to determine their own business practices as to who will originate and who will approve cost transfers. Because of these changes, several reports, recons and forms were modified to ensure that only approved cost transfers were reported or viewed in these reports or view screens.

B. We changed functionality for labor cost transfers to require a separate originator and approver, along with an electronic signature for each. This occurred in accordance with audit findings and recommendations, and required major programming changes.

C. We developed an automated process, which will run nightly, to calculate the Superfund Management and Support (M&S) fee.   New tables store the EPA rate and the exempt and suspended management structure codes. Emails will be sent on the 10th and 20th of each month if there is not an in-house purchase request associated with the EPA work item and if there are not enough funds on the in-house purchase request to process the M&S fee. If a user chooses to process the M&S fee the old way, they can still do so by marking their work item as manual in the 'Create/Update Work Item' screen.

D. We have provided PwC auditors with reconciliation files, transaction registers and labor subsidiary files for November 2007. The reconciliations consist of the following USACE corporate data files:

   - Reconciliation of the civil labor hours detail data to the civil labor transaction registers for expense general ledgers.

   - Reconciliation of the civil and military labor hours detail data to the labor transaction registers to balance revolving fund revenue general ledgers.

E. We made general ledger correlation changes for General Funds Receipt Accounts. These changes are in accordance with Treasury Financial Manual US Government Standard General Ledger Supplement S2 07-02 dated Aug 2007, to address changes for USSGL reporting for custodial collections that are NOT reported on the Statement of Custodial Activity. We will reverse CFY transactions and insert new transactions citing the required general ledgers, and convert beginning FY08 GLAC 2980% balances to GLAC 2985%.

F. We continue to work on the release of the SF 182, Authorization, Agreement and Certification of Training, within CEFMS to meet the 01 JAN 07 suspense directed by G-1 DA and OPM. This form will be the first use of Oracle Reports Writer within CEFMS. Currently, CEFMS

uses the DD 1556 (screen 9.10) to request training. Upon the release of the SF 182 Training Request Screen (screen 9.182) in CEFMS, training requests that were created through the DD 1556 screen (screen 9.10) that lack certification by the Training Officer and lack an attached PRAC will NOT be available for update. The training will have to be input again into the SF182 Training Request Create/Update Screen (screen 9.182) to proceed with Training Officer certification and the attachment of a PRAC.

G. We met with Dani Villiva, HQUSACE Manpower Office, concerning the continual manpower (ICAR CMOD) reporting problems. In accordance with the Army Budget Office, USACE is only authorized to execute and report labor utilization in three appropriations: 2020, 2050 and 2040. Currently, the Finance Center 'adjusts' expenses identified in labor elements of resource (EORs) in non-reportable appropriations to these authorized appropriations. Many manpower problems have been encountered by use of this process. We have drafted a white paper with a recommended solution that has gone to HQUSACE for a decision. The recommendation will resolve the issue of execution/utilization of labor EORs in unauthorized, non-reportable appropriations and support audit trails, but it will require changes in current USACE business processes and in CEFMS.

H. We received the evaluation of the CEFMS OMB 300 investment review. The scoring was the highest ever received by the CEFMS application. We continue to be included in the OMB Management Watch List, but only due to two USACE-wide issues.

I. We continue work on extracting training records USACE-wide and creating a file that will be uploaded into to the Defense Civilian Personnel Data System (DCPDS) on a monthly basis. Coordination and testing have taken place between the DCPDS Development Office, G-1 Army, and HQUSACE (CEHR-D) to ensure a smooth hand-off the file and upload. This process will go into effect upon release of the SF182 on 1 Jan 07.

J. We completed programming and testing the CEFMS changes necessary for Treasury's Release 11 of the IPAC System. This change made a data field mandatory that was previously optional. Changes were made to both the monthly customer billings and the daily TOPS Submissions. Test files were submitted to the IPAC Test Area at the Federal Reserve Bank, Richmond to verify that all of the other data passed their edits. These changes are being released to the UFC prior to Treasury's release date of 8 Dec 07.

IV. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	This Report	Last Report
Total Problems	739	743
Priority #1 Problems	117	136

We received 106 new problem reports and completed 110 problem reports.

B. Database Imbalances on our 59 Production Activities:

# of Imbalances	This Report	Last Report
None	58	47
One	0	11
Three	1	0
Six	0	1